

These are the minutes of the Regular Session of the City of Adams, WI held on January 20, 2014 in the City Municipal Building.

Meeting was called to order by President Kierstyn while retaining his voting privileges. On roll call were Alderpersons Hilson, Jensen, Kierstyn, Marti, Scott, Suhr, Administrator Ellisor, Street Superintendent Mead and Chief Anderson. Several Citizens were also in attendance.

The Pledge of Allegiance was recited.

Motion by Jensen, second by Scott to approve the minutes of the meetings held December 16, 2013 and December 19, 2013 as printed. Roll call vote, all voted aye.

Petitions and Communications: President Kierstyn gave the following statement: For now, based upon advise of legal counsel, and the threats of litigation, we are unable to comment on the GEITS development other than to say to date, we are comfortable that all matters have been handled appropriately and in accordance with the law. We can also add that while there is often opposition to development, we are still excited about the GEITS development and the opportunities it provides to the City of Adams and its citizens. *Mayor Baumgartner arrived.*

Bob Goodhue addressed the Council with his concerns and questions. He stated that he appreciates the City trying to get some business in the Business Park. There was communication that has been broken down and not let out to the public. He questioned TIF #2 that was to take care of the expenses and in the minutes, now it's TIF #4. His questions were: money invested in the South Business Park, how much to yet invest in the Park, Manufacturing facility still on track for 24 months, building/site plans to the Planning Commission, final plans/specifications for the WWTP, Commissioning Plan, employees used to install street lights or hire, are they with solar panels and/or turbines or do we need to purchase separately, GEITS charge per hour to help install, how much the local utility will pay for generated electric, permits/approval/agreements with the utility, cost to City for improvements for waste to energy, GEITS obtained any approval/permits to construct, agreement to deliver 50 ton of feedstock to GEITS, size/description of facility, and cost to City for property insurance for facilities. Mr. Goodhue gave Clerk Winters a copy of his questions. *(The list of questions will be filed together with these minutes in the Clerk/Treasurers Office.)*

Ken Romell questioned the gasification plant and the sorting station, what happens to the stuff that is sorted that has to go to the landfill, who handles, pays for, and where will it be stored? The big concern is how much the City is investing and they're just asking for answers.

Warren LaQuee handed a petition for the Council to look at. He stated he took this petition down, particularly down the Juneau Street area and the people are not happy. He stated he called Janet early last year asking if there will be a Q&A hearing at the Community Center. She stated that it is not required. Due to deep debt and property damages, he thinks a Q&A Hearing is owed to the people. He asked that the Council not approve any more agreements or contracts till the City agrees to a Public Hearing at the Community Center. *The petition that Mr. LaQuee gave the Council had been signed by twenty nine residents.* The petition states: "We the residents of the City of Adams Do Not want a garbage recycling depot in the City limits of Adams." *(The petition will be filed with these minutes in the Clerk/Treasurers Office.)*

Another citizen from the audience questioned the Council State Statutes requiring bidding over \$25,000 and a performance bond of any contracts over \$100,000. There is no mention in your contract of anything concerning bidding or performance bonds. That is a State Statute that says you must do this, it's not optional. How did you avoid this?

Report of Standing Committees:

Fire District:

A discussion was held regarding water usage.

Chief's Report: There were 11 calls and a false alarm at Northern Bay. No news regarding Easton Pond Fill Site and confined spaces. Transferring \$43,000 from the budget carry over to the Major Equipment.

Motions were made to approve purchase of gear for approximately \$12,959.00.

THE MINUTES ARE DRAFT AND SUBJECT TO COUNCIL APPROVAL.

Public Works Committee:

In Petitions and Communications a discussion was held regarding a pot hole on Main Street by the railroad tracks. Street Superintendent Mead will notify the County Hwy Dept.

Report on Public Works Department Activity: A discussion was held regarding snow removal, vehicle maintenance and repairing mailboxes.

Discussion Relating to South Business Park – EDA Project – Other Development Projects: No discussion was held. Remove from future agenda's.

Discussion/Recommendation on Fire Station City Hall Water Use: Dropped by the Fire Department.

Burt Morris Park – Wind Turbine and Lighting: Administrator Ellisor informed the committee that money has been budgeted for the Wind Turbine and Lighting at Burt Morris Park.

Downtown Development Commission:

Discussion/Review – General Development: A discussion was held regarding the wind turbine for Burt Morris Park. The cage rebar that stabilizes the base come in this week. A discussion was held regarding completely closing off East Hazel Street and was decided to send to Policy and Procedure for further review. Administrator Ellisor will be following up with MSA to obtain revised plans of Lion's Park. A discussion was held regarding renting a tent from Allied for activities in Lion's Park.

Update on City/GEITS Development: No discussion was held regarding City/GEITS Development.

Discussion Park Activities and Calendar of Events for 2014: Steve LaVallee will be following up with the Moundview Memorial Healthcare Foundation inviting them to use the Lion's Park for their fall event. Mayor Baumgartner and Admin. Asst. Klein will be developing a calendar showing available dates that will be shared with the community and organizations and a memo to send out to obtain park activity support. It was suggested that we upgrade the food cart with wheels and make it available for organizations to use during scheduled activities at Lion's Park.

Report of City Officers:

Mayor Baumgartner: Made a statement regarding the conflict of interest that was in the Milwaukee Sentinel article concerning her role as Mayor and an employee for GEITS. *The statement is attached.*

Administrator Ellisor: Read a response to the January 19th Milwaukee Journal Sentinel article. *The response is attached.*

Administrator Ellisor also read a statement regarding the personal attack against him in recent weeks. *The statement is attached.*

Police Chief Anderson: Had nothing to report.

New and Unfinished Business:

Motion by Kierstyn, second by Jensen to Authorize Issuance of Temporary Class "B" (Special – Picnic) License to the Adams Community Theatre. Roll call vote, all voted aye.

Agenda Item 2. Appointment of Planning Commission substitute member(s). Mayor Baumgartner stated that we will not be substituting any members to the Planning Commission.

Motion by Jensen, second by Suhr to Approve Payment of Bills. Roll call vote, all voted aye.

Motion by Scott, second by Kierstyn to Adjourn. Roll call vote, all voted aye.

Respectfully Submitted,

Janet L. Winters, CMC, WCMC, CMTW
Clerk/Treasurer

I would like to make a statement regarding the conflict of interest concern that was brought up in the recent Milwaukee Sentinel Article. This concern is over my dual role as Mayor and now as an employee for GEITS. First, I would like to address my new role with GEITS.

I did not take this job on without first consulting on the legalities and how it would affect my role as Mayor. The most important aspect in making this decision was that most agreements with GEITS were already made months prior to any discussion of being offered and considering an employment position with GEITS.

Originally, the City considered adding an economic development position and I was asked if I would consider doing that for the City. It was clear very early that I could not and would not maintain both a position as Mayor, and an employment position for the City in economic development. This information was discussed at a couple of closed sessions with the full council.

Once it was determined that this type of position was not possible with the City, GEITS approached the full council and me and asked if I would consider an employment position with them in a capacity unrelated to the City of Adams. Before considering this opportunity, the City again sought legal advice to make sure that such an arrangement was legal. The attached legal opinion was provided outlining the issues and the separations that would be necessary in the event I accepted the employment position and continued to serve the City of Adams as its Mayor.

I want to make it clear that ALL council members were onboard and supportive of this option if I was willing to make the job change. Believe me I would never even have considered it if not every one of the council members were supportive and in favor of such a position. I would be giving up a job, which I had invested 26 years.

We put plans in place to avoid any conflict of interest. I will not negotiate any contract on GEITS behalf or on the City's behalf. Given that the description of my duties at GEITS will not involve any dealing with the City of Adams at all, and given that I will not participate in any meeting on behalf to the City regarding GEITS issues, there will be no conflict.

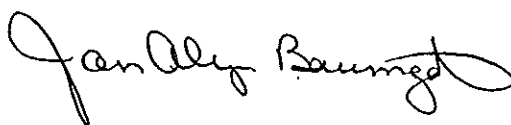
Again, no conflict will occur as long as I abstain from any official discussion, deliberation or voting on GEITS matters. For example, I will remove myself from any official decision about how funds are spent or from official oversight of the performance of the contract with GEITS subsequent to its approval.

I am also suspending certain Mayoral activities relating to GEITS, including contract negotiations with GEITS, participation in votes relating to GEITS, working on tax or financing arrangements that would directly or indirectly benefit GEITS, or any other administrative decision -making with regards to GEITS business. In this regard, I will delegate any GEITS-related task, so as to avoid even the appearance of any impropriety. From my position at GEITS, I will delegate any Adams related tasks or decisions.

During the time of my employment with GEITS I have constantly kept the administration informed and up to date.

It is my understanding that as of now, there is nothing more that will need to be negotiated with the City of Adams. GEITS has put anything further on hold at this time. The solar that would have been put on the City buildings is going to another company. There will not be development on the 7 acres and that will revert back to the City. GEITS has put a hold on manufacturing plant while it considers all options at its disposal including relocation. To the degree any of these matters are brought up again, I will not be participating in those discussions or decisions on behalf of the City or on behalf of GEITS.

As you can see, I have proceeded slowly and cautiously coupled with appropriate legal advice, full disclosure to the Council and with steps in place to avoid even the appearance of impropriety. That has been my goal as these discussions started, and this remains my goal.

 1-20-14

Response to Milwaukee Journal Sentinel January 19th Article

It is important to respond to some of the references made about the City of Adams commitment in the development agreement with GEITS Corp. All agreements and investment commitments made by the City of Adams are predicated on the most significant commitment of all; that GEITS builds its \$70,000,000 manufacturing facility within the City of Adams business park and does so within a 24 month period. The property tax revenue generated from the approximately 200,000 square foot manufacturing facility would readily offset any of the financial commitments made by the City to incorporate the GEITS line of renewable energy and water treatment products throughout the City. The projected property tax revenue over a 20 year period, conservatively, would be \$30,800,000.

Additionally, all of the products that would be installed within the City would be produced locally at the manufacturing facility itself. Among the items produced at the manufacturing facility include the components to the wastewater treatment plant phosphorous reduction system, vertical wind turbines, floating solar systems and land based solar among other products that would be built at the plant. The City of Adams would serve as the demonstration community for the renewable infrastructure built in the City. In addition to added tax revenue offsetting the cost of the various installations, many of the products generate electrical power so the operational cost is offset by the power costs.

The industrial park land offered to GEITS was not a "gift". The land must be developed per the agreement or it reverts back to the City.

Over the years the City of Adams has taken on large infrastructure improvement projects and has managed a significant number of loans to complete the projects; all in good standing. The City did pursue loans to follow through with development obligations made. Three pre-applications were made (the third version was a two-part pre-application) to the Board of Commissioners of Public Lands (BCPL). Each successive pre-application was modified based on consultation with BCPL staff and program eligibility. When it became evident that the loan application evaluation was more about GEITS than the City's wastewater treatment plant upgrade it was no longer pursued. There was nothing "secretive" about the City's loan applications but information about the technology itself is guarded; especially at the early stages of the borrowing process. Obviously, all statutory bidding requirements and permitting requirements must be met, but that doesn't occur until the design and facilities planning phase is complete.

Ideally, Made in Adams will ultimately become more than just a novel concept.

Given the personal attack against me in recent weeks, it is evident that I have been rendered unable to effectively perform my duties as City Administrator.

For the past 3 ½ years a former employee of the City and now on the City Council has been using his elected position to pursue his own personnel vendetta against me and to exact his form of revenge. His motives for doing so are inspired purely with malicious intent. This individual has succeeded in creating an unbearably hostile work environment and is determined to bring harm to me and consequently my family. He doesn't care if the City of Adams suffers for it.

I am obtaining Legal Council on this matter and will be exploring what my legal recourse needs to be.

As for the various opinions regarding the development agreement between GEITS and the City of Adams, I would refer citizens to pages 5, 6 & 7 of the agreement. The GEITS commitment entails construction of a 200,000 square foot manufacturing facility in the City of Adams Business Park. This facility was to be completed within a 24 month period. This facet of the agreement has been consistently ignored by all the late stage detractors. Whether this development goes forward from here is in serious question.

My integrity has been challenged and it is regrettable that I must pursue legal recourse against the City to repair the damage that has been done, if it even can be repaired.

I never would have imagined that I would have been so maliciously persecuted for trying to secure jobs and tax base for now and future generations.



